

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL
RECEIVED
JUN - 1 1998
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Performance Measurements and
Reporting Requirements
for Operations Support Systems,
Interconnection, and Operator Services
and Directory Assistance

)
)
)
)
)
)
)

CC Docket No. 98-56
RM-9101

COMMENTS OF TELEPORT COMMUNICATIONS GROUP INC.

TELEPORT COMMUNICATIONS GROUP INC.

Teresa Marrero
Senior Regulatory Counsel – Federal
Two Teleport Drive
Staten Island, N.Y. 10311
(718) 355-2939

Of Counsel:

J. Manning Lee
Vice President, Regulatory Affairs

Dated: June 1, 1998

029

J. Manning Lee

SUMMARY

"Performance parity" requires that the incumbent local exchange carrier ("ILEC") provides carrier interconnection that is equal in quality to that provided to itself, its affiliates, or any other interconnectors. TCG generally supports the Commission's proposed performance measurements and reporting requirements as a means to determine whether the ILEC is satisfying this statutory requirement. Availability of this information to competitive local exchange carriers ("CLECs") will decrease CLEC costs of entanglements -- reliance upon the ILEC for providing services -- by providing them with information that is otherwise in the sole control of the ILEC, to support claims of denied performance parity.

While TCG supports many aspects of the Commission's proposal, the Commission additionally must require that ILECs provide information on their performance in providing unbundled network elements ("UNEs") (or the equivalent) to themselves. TCG has found that operations support systems for facilities-based CLECs in particular are not in parity with the ILEC's own internal processes. The additional categories required to address this problem will not unduly burden ILECs, which the ILECs must maintain comparable records for their own internal purposes. However, without measurements of ILEC UNE provisioning, undue burdens would be placed on CLECs to demonstrate the lack of parity, contrary to the Commission's stated goal of detecting possible instances of discrimination.

**COMMENTS OF TELEPORT COMMUNICATIONS
GROUP INC. – JUNE 1, 1998**

In addition, "retail specials" categories should be disaggregated by narrowband, wideband, and broadband. The averaging of the ordering and provisioning results of these three distinct services could permit measurements for a large quantity of low volume customers to mask discrepancies involving fewer high volume customers. As a result, the ILEC could discriminate by providing services to ILEC high volume customers faster than provisioning these same facilities for CLECs. TCG also proposes eliminating or simplifying specific measurements when the proposed measurement would not provide beneficial data, thus minimizing the ILEC reporting burdens. Once these revisions are incorporated into the proposal, the proposed measurements and reporting requirements are ones that should be uniformly adopted, which will reduce carrier costs of reaching similar appropriate plans in numerous jurisdictions by eliminating the need for state-by-state entanglements. TCG recommends that the Commission set a six-month interval between the sunrise and sunset dates for implementing uniformly the latest version of existing operations standards.

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. UNLESS ILECs REPORT ON OSS FUNCTIONS RELATED TO THE SELF- PROVISIONING OF UNEs, CLECs CANNOT DETERMINE WHETHER PERFORMANCE PARITY IS ACHIEVED.....	3
A. ILEC "UNE" Reporting Is Necessary to Help Minimize Costly Entanglements, Which Impede Competition Contrary to the Act.....	4
B. The ILEC "UNE" Requirement Will Not Be Overly Burdensome	5
C. The ILEC UNE Category Should Be Added to Several OSS Functions	6
III. OTHER PROPOSED MEASUREMENTS AND CATEGORIES	7
A. Ordering and Provisioning	7
1. "Retail Specials" Categories Must Be Disaggregated	7
2. Measurements Should Be Taken on a Per Circuit/Per Element Basis	8
3. 911 Database Update and Accuracy	10
B. Repair and Maintenance	10
C. Billing	12
D. Operator Services and Directory Assistance.....	12
E. Interconnection	14
F. Code Openings	15
IV. GENERAL ISSUES	16

**COMMENTS OF TELEPORT COMMUNICATIONS
GROUP INC. – JUNE 1, 1998**

TABLE OF CONTENTS (continued)

	<u>Page</u>
A. National Standards for OSS Implementation.....	16
B. Geographic Level for Reporting	18
C. Scope and Manner of Reporting	19
D. Statistical Analysis	20
V. CONCLUSION	21

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Performance Measurements and)	
Reporting Requirements)	CC Docket No. 98-56
for Operations Support Systems,)	RM-9101
Interconnection, and Operator Services)	
and Directory Assistance)	
)	

COMMENTS OF TELEPORT COMMUNICATIONS GROUP INC.

Teleport Communications Group Inc. ("TCG") hereby submits its Comments in the above-captioned proceeding.

I. INTRODUCTION

TCG has long been a proponent of performance measurements and reporting requirements as a means to measure whether incumbent local exchange carriers ("ILECs") provide competitive local exchange carriers ("CLECs") interconnection in compliance with Section 251(c)(2)(C) of the Communications Act -- the performance parity standard.¹ "Performance parity" requires that the ILEC provide carrier interconnection that is "at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which

¹ See TCG White Papers: The Performance Parity Principle, Measuring Performance Parity --Equal Risk, Fair Results (attached), Model Performance Parity Measures for Facilities-Based Competition (each available from TCG Website at TCG.com/TCG/regulate/whitepaper.html).

the carrier provides interconnection."² The only way CLECs, the FCC, state commissions, or even the ILECs themselves can determine whether this standard is being met is for ILECs to provide sufficient information regarding the provisioning of services to conduct a comparative analysis. Ensuring that performance parity is being provided is also an essential element in minimizing the "costs of entanglement" -- the costs that CLECs are made to incur as a result of their unavoidable dependence on the ILECs for essential elements necessary to provide service to customers.

While TCG supports many aspects of the Commission's proposals, there is one notable and important element that is lacking. For the measurements to have validity and meaning, the Commission must require that the ILECs provide information on their performance in providing UNEs (or the equivalent) to themselves. That is, after all, the first element in the statutory standard, and perhaps the best (if not only) way to ensure that the statutory purpose of the requirement is being upheld. Given that the ILEC is the primary competitor that the CLECs will face in each market, discrimination by ILECs against CLECs and in favor of their own customers represents a serious and potent threat to the development of effective local competition, a threat left unaddressed by the Commission's proposal. TCG explains in these Comments why this omission threatens the

² 47 U.S.C. §251(c)(2)(C).

success of the Commission's efforts and provides practical advice on how the requisite information can and should be collected.

II. UNLESS ILECs REPORT ON OSS FUNCTIONS RELATED TO THE SELF-PROVISIONING OF UNEs, CLECs CANNOT DETERMINE WHETHER PERFORMANCE PARITY IS ACHIEVED.

TCG strongly recommends that the Commission extend its UNE reporting requirements (with the modifications proposed herein) to include the ILEC's provisioning of UNEs (or their equivalent) to itself. The Commission recognizes the importance of CLECs to be able to assess accurately the manner in which UNEs are provisioned and therefore required reporting of ILEC provisioning of UNEs to CLECs. However, because the Commission presumes that ILECs cannot report how it self-provisions these elements,³ the Commission did not require that ILECs report on self-provisioned UNEs. This omission leaves a fatal -- but avoidable -- gap in the Commission's coverage of performance parity. As described below, the ILECs must maintain comparable records for their own internal purposes, and therefore, such requirements would not place an undue burden on the ILECs. However, without these measurements, undue burdens would be placed on CLECs, contrary to the Commission's stated goal of detecting possible instances of discrimination.⁴

³ See NPRM at ¶ 50 (describing the CLEC UNE reporting requirements for ordering and provisioning).

⁴ See *id.* at ¶ 36.

A. ILEC "UNE" Reporting Is Necessary to Help Minimize Costly Entanglements, Which Impede Competition Contrary to the Act

The statutory performance parity requirement set forth in Section 251(c)(2)(C) of the Act requires that the ILEC provide interconnection to CLECs that is "at least equal to" that provided to itself or its affiliates. As a practical matter, the ILEC is the party best in a position to report information on the quality of the services that it provides to itself, because no other party has any direct vision into those relationships. But the Commission has failed to propose any means to collect such essential information. In essence, it is leaving to the CLECs the obligation of gathering the necessary information to determine whether the ILEC has met its statutory obligation. Such an assignment of responsibilities turns the statute on its head.

The need for such information is by no means a mere academic inquiry. Far from it. In a number of states, TCG has found that OSS for facilities-based CLECs does not allow CLECs to compete effectively and is not in parity with the ILEC's own internal processes. In many instances, manual intervention in CLEC orders by ILEC personnel between and during the pre-ordering and ordering processes results in a higher number of errors and slower processing times. CLECs will be armed with an additional defense against inadequate OSS if they can show that the performance received by the ILEC is not equal to what the ILEC provides to itself. Without ILEC "UNE" reporting categories, CLECs will be forced to gather the

information necessary to demonstrate performance parity – or the lack of it. This shift in the burden is not only contrary to the intent and purposes of the Act, but it also significantly increases CLEC costs of entanglements because it requires them to obtain information that is in the sole control of the ILEC, to support claims of denied performance parity.

B. The ILEC "UNE" Requirement Will Not Be Overly Burdensome

The inclusion of an ILEC "UNE" element reporting requirement will not place undue burdens on ILECs. It is TCG's understanding that ILECs currently maintain such information for internal planning and operations purposes. The ILECs' provisioning of retail POTS services provides a useful example. For an ILEC to assess accurately how long it will take to provision POTS service to an end user, the ILEC must determine the length of time it will take to complete each piece of the POTS provisioning. One segment of the POTS provisioning process (or "offered interval") is the provisioning interval of the local loop; another is the provisioning interval for the end office switch. These separate measurements are also used to determine retail non-recurring installation charges.

For an ILEC to assess accurately the offered interval, the ILEC must track the average work time of technicians to install loops and ports. While the installation of the loop and port is most likely completed by two different technicians, the ILEC utilizes the two pieces of information to develop the "offered interval" for POTS

services. Therefore, it would not be a burden on the ILEC to compare the provisioning of a loop for an ILEC customer to the provisioning of a loop for a CLEC customer, because ILECs necessarily must develop this information for their own internal use. Without this information, ILECs could not estimate accurately to a customer the time it takes to provision POTS service.

Because ILECs necessarily have this information, requiring them to report it will not impose a significant burden. If they are not required to report such UNE-related information, however, then a very costly burden will be improperly imposed on CLECs to show that a particular UNE does not meet the statutory performance parity requirements.

C. The ILEC UNE Category Should Be Added to Several OSS Functions

The requirement that ILECs report "UNE" self-provisioning extends to a number of categories in the Commission's proposal: ordering and provisioning (order completion measurements (A2), coordinated customer conversions (A3), order status measurements (A4), held order measurements (A6), installation troubles measurement (A7), and order quality measurements (A8)), repair and maintenance (A10), and billing (A12). The Commission should adopt UNE categories for these measurements to ensure that ILECs are providing interconnection in parity with that provided to themselves and their affiliates.⁵

⁵ TCG, however, supports without revision the Commission's proposed performance measurements and reporting requirements for preordering functions

III. OTHER PROPOSED MEASUREMENTS AND CATEGORIES

A. Ordering and Provisioning

In addition to the crucial addition of measurements on the ILEC's performance to itself as discussed above, TCG believes that a number of revisions to the Commission's proposed ordering and provisioning standards are required to ensure sufficient, useful measurements. First, all "retail specials" categories should be disaggregated by narrowband, wideband, and broadband. Second, measurements should be taken on a per circuit/per element basis rather than on a per order basis. Finally, a number of measurements should be added to monitor parity of service and ensure public safety for 911 database update and accuracy.

1. "Retail Specials" Categories Must Be Disaggregated

Currently, the Commission proposes a "retail specials" reporting category for ILECs for order completion measurements (A2), order status measurements (A4), held order measurements (A6), installation troubles measurements (A7), and order quality measurements (A8). This category should be disaggregated into narrowband, wideband, and broadband capacity levels. Each of these trunk capacities is a distinct type of private line service that must be measured separately

(A1). It is necessary for competing carriers to be able to access information essential to the pre-ordering process on a timely basis to win customers and to compete with ILECs, and the Commission has proposed measurements and categories that meet this requirement. In the case of these category measurements, the Commission's proposal already requires ILECs to report the provision of service to themselves.

because the ordering and provisioning characteristics of the services can be expected to differ. Additionally, the volumes of the lower speed services will be vastly larger than the higher capacity services, even though the higher volume services may represent a larger proportion of the "equivalent lines" of the services being provisioned. If these categories are reported on an aggregated basis, the averaging of the ordering and provisioning results of these three distinct services will necessarily produce a misleading result -- the proverbial "apples to oranges" comparison. As a result, the ILEC could discriminate against CLECs by providing services to ILEC high volume customers (i.e., DS3 orders) faster than provisioning these same facilities for CLECs. Without disaggregation, this discrepancy could not be detected from the reports if the greater volumes of DS0 and DS1 provisioning times masked the disparate treatment in DS3 ordering and provisioning.

2. Measurements Should Be Taken on a Per Circuit/Per Element Basis

The Commission has proposed that an ILEC need only measure the Percentage of Troubles in Thirty Days for New Orders (A7) on a "per order" basis.⁶

TCG has two concerns about this proposal. First, measuring on a per order basis will lead to inaccuracies, particularly when a single order includes multiple UNEs. Reporting information on a per circuit (for resale) or per element (for UNEs) basis

⁶ Id. at ¶¶ 68, 70.

avoids excessive averaging of results. In this way, "completes" and "delays" orders would be individually counted.

Second, under current RBOC reporting practices, an entire multi-part order is counted as complete once delivered to the CLEC, even if the CLEC finds that one or more individual services in the order are defective. Each "trouble" is recorded as a new entry separate from the original order. The original order is closed out and credited as "complete," even though the reported trouble should change the status to "incomplete." Changing the reporting category to measure on a per circuit or per element basis permits an order status to be changed to reflect accurately a trouble status, i.e., an incomplete order is not miscounted as complete. Reporting on a per circuit/per element basis permits the necessary detail for each order component to be accounted for individually.

Similarly, TCG agrees that the measurement for interconnection trunks should be reported as a separate category.⁷ This will permit CLECs to measure how quickly they can expect the ILEC to alleviate network blockages. If growth of traffic volumes results in call blockage for specific trunk groups, then the CLEC must be assured that it will receive timely relief. Installation of additional trunk capacity for the CLEC should occur within the same timeframe as installation of the same network facilities for the ILEC. Given the importance of providing sufficient

⁷ See id. at ¶ 69.

trunking capacity, the past ILEC poor performance in achieving this goal,⁸ separate reporting is essential.

3. 911 Database Update and Accuracy

Two measurements should be added for 911 Database Update and Accuracy reporting (A9): (1) Selective Router Update within 24 Hours and (2) Selective Router Update Accuracy. These additions address primarily public safety concerns, in addition to ensuring equal levels of services provided to ILEC and CLEC customers. The selective router additions are necessary to ensure that new or changed customer information is promptly and accurately input. CLECs must be able to monitor the timing and accuracy of the information that is necessary for routing 911 calls to the appropriate Public Safety Answering Point ("PSAP").

B. Repair and Maintenance

TCG proposes several revisions to the repair and maintenance reporting requirements (A10-A11). First, the "retail specials" category for ILECs should be disaggregated by narrowband, wideband, and broadband, for the same reasons as discussed with respect to ordering and provisioning. Disaggregation will reduce the impact of averaging the measurement information across three distinct facilities.

⁸ Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, to Provide In-Region, InterLATA Services in Michigan, Memorandum Opinion and Order, 12 FCC Rcd 20543, 20674-78 (¶¶ 246-53) (1997).

Second, the measurement for the average time to restore should be disaggregated by trouble type. For example, ILECs categorize troubles by loop, switching, switch translation, ISW, and Customer Premise Equipment ("CPE"), among others. Separate reporting is necessary to ensure that parity of service is being provided for local loop restoration, compared to an overall category of repair and maintenance. By providing repair and restoration data by trouble type, both the ILEC and CLEC are assured that an "apples to apples" comparison is made and thus, both companies will avoid unnecessary costs in investigating why there are differences in repair and maintenance results. Disaggregation of trouble types is particularly important in the case of facilities-based CLECs, because only certain types will be relevant. For example, facilities-based CLECs predominantly use ILEC loops. Thus, TCG is interested in loop restoration for CLEC customers compared to loop restoration for the ILEC retail customers, not other types of troubles.

Third, restoration measurements must be added by which CLECs can gauge how out-of-service customers are being restored. This measurement would report the mean time to restore service, disaggregated by narrowband, wideband, and broadband capacity levels. A final measurement must be added to record the status of trouble calls, according to the ILEC's standard processes.

C. Billing

The Commission's billing proposal should be amended to add three measurements: (1) Average Response Time to Billing Inquiry; (2) ILEC End User Calls Misrated (by called-to carrier); and (3) Accuracy of Payphone Rating Table. Measuring the average response time to a billing inquiry will determine whether the ILEC acknowledges a billing inquiry within the same timeframe the ILEC acknowledges its own customers' inquiries. CLECs rely on improved customer service to compete with ILECs, but otherwise superior customer service can be overshadowed if the ILEC service to the CLEC is poor.

Similarly, an ILEC's incidence of misrating calls must be measured. For example, an ILEC customer calling a customer served by a CLEC could be charged for a toll call when the charge should have been levied based on local calling rates.

Such misrating encourages customers to switch back to the ILEC. Consequently, CLECs must be able to determine whether there is a higher incidence of misrating for their customers compared with ILEC customers. Misrating of calls is also a concern for payphone service provider customers, and TCG accordingly proposes a measurement for payphone misrating.

D. Operator Services and Directory Assistance

TCG supports the Commission's tentative conclusion that the ILEC must measure the average time it takes its own end user customers and CLECs'

customers to access the ILEC operator services and directory assistance (A15).⁹

The Commission should clarify, however, that there should be separate measurements for operator services and directory assistance. It would not be more burdensome for ILECs to report separately on these distinct services than on a combined basis.¹⁰

In addition, four similarly disaggregated measurements should be added to the reporting requirements: (1) Mean Hold Time; (2) Call Abandonment; (3) Call Blockage; and (4) Average Work Time. The Mean Hold Time measures the time ILEC or CLEC customers are put on hold while an ILEC operator accesses the desired information. This information is important to monitor whether the service is sufficiently fast to avoid CLEC customer hang-ups at a rate that is better than or equal to ILEC customers. Call Abandonment measures the rate at which calls to an ILEC operator by ILEC and CLEC customers are terminated before the call is answered.

Call blockage measures the rate at which ILEC and CLEC customers are unable to access the ILEC operator due to insufficient trunking capacity or faulty ILEC connections. A high incidence of blocked calls increases the call churn rate (i.e., customers hanging up and calling back again), thereby increasing the network

⁹ NPRM at ¶ 93.

¹⁰ Many states have unique reporting requirements for the ILECs' specific to operating service and directory assistance.

costs to TCG for the additional initiated calls. Blocked calls also result in customer dissatisfaction, such that CLECs should not have to suffer a higher incidence of call blockage as a competitive disadvantage with ILECs. Finally, the Average Work Time measures the length of time for an ILEC operator to answer a query from ILEC and CLEC customers. Again, the benefit for CLECs ensuring that they are not competitively disadvantaged by an absence of parity in this customer service-dependent category outweighs any potential reporting burden for ILECs.

E. Interconnection

The blockage for interconnection trunks and common trunks (A16) should be measured by the Ratio of Calls Blocked to Calls Attempted. This measurement permits entities to compare actual end user calls blocked and accounts for the use of the entire network within the geographic reporting area and for the opportunity to complete a call to an ILEC end user compared to a CLEC end user. For example, both the ILEC and the CLEC each may have a trunk connecting end office A to end office B, and each trunk experiences a five percent blockage rate. If this is the only trunk for the CLEC, however, its overall blocking percentage is higher than the ILEC's, which may have alternative trunks it can use to reroute blocked calls.

TCG's recommendation is less burdensome for ILECs than the Commission's proposal because it requires a total measurement by service area, rather than by individual trunks. It also provides CLECs with more beneficial information.

F. Code Openings

The Commission should add a separate measurement requirement under the General heading (A13) to report service performance for code openings. The two additional measurements required are: (1) NXXs Loaded and Tested Prior to LERG Effective Date; and (2) Mean Time to Repair for NXX Troubles. Code opening measurements are necessary to ensure that CLECs can respond to new service requests in the same timeframe as ILECs, particularly when customer requests are received from previously unserved areas. Without access to NXX codes associated with different service areas, CLECs are precluded from serving customers in certain areas. ILECs must open new codes upon CLEC request within the same time the ILEC would for itself.

ILECs must consistently load and test new NXXs prior to the LERG effective date for the new code. Unless these tasks are carried out, the network will not recognize CLEC customer numbers assigned from the new NXX block, rendering the numbers useless. CLECs must be able to ensure that they are not disadvantaged by missing the LERG effective date. In addition, the mean time to repair NXX troubles must be reported by trouble types. Separate reporting is necessary to ensure that both complex and simple repair efforts are conducted for CLEC NXX problems on parity with ILECs.

IV. GENERAL ISSUES

A. National Standards for OSS Implementation

TCG generally supports the Commission's current plans to leave the development of national standards for OSS-to-OSS communications to the organizations currently addressing these needs. Committees such as the Alliance for Telecommunications Industry Solutions ("ATIS") have made progress since the enactment of the Telecommunications Act of 1996. It is clear that the Commission understands the importance of national interface standards and the role they play in not only facilitating entry into local markets, but also in sustaining a CLEC's capability for operating as a *national* local service provider. Therefore, TCG recommends that the Commission continue to monitor closely the progress in which OSS-to-OSS interface standards are being developed and "depending upon the progress made, . . . make a determination in the near future as to whether . . . obligations under the 1996 Act require [the FCC] to issue a separate notice of proposed rulemaking or take other action to guide industry efforts at arriving at appropriate national standards for access to operations support systems."¹¹

The true benefits of the proposed OSS standards can only be realized if they are implemented and implemented in a coordinated fashion.¹² TCG contends that

¹¹ Local Competition First Report and Order, 11 FCC Rcd 15499, 15768 (¶ 528) (1997).

¹² In the case of ordering, for example, while many ILECs support the use of

while the industry should have primary responsibility for developing standards, Section 256(b)(1) establishes an "oversight" responsibility for the Commission in the development of such industry standards. As such, TCG recommends that the Commission set a date for ILECs to support the latest version of existing operations standards. The Commission should also define sunrise/sunset timetables (similar to what exists today in the Access Service Request ("ASR") environment) to coordinate the implementation of standards on a going forward basis. A six-month interval between the sunrise and sunset dates for implementing new versions of an existing standard should be feasible for ILECs. TCG recommends that the Commission impose such deadlines as part of a broader framework for change management.

The Commission should adopt as a starting point the Principles of Change Management specification jointly proposed by CLECs and Bell Atlantic as part of an OSS collaborative effort headed by the New York Department of Public Service. This specification recognizes the broader aspects of change management such as

LSOG (interface *content* standard) and EDI (interface *format* standard) for OSS-to-OSS communications, few ILECs support the same versions of these standards. To further complicate matters, each ILEC has its own local plans to migrate to a newer (but not necessarily the latest) version of the LSOG and EDI standard. As noted by the Wisconsin Public Service Commission Staff, because a CLEC will have to rewrite its own OSS interfaces whenever an ILEC modifies its interfaces, "a Company with significant market share [like the BOCs] can extend that market share" by simply revising its OSS specifications. Re: Matters Relating to Satisfaction of Conditions for Offering InterLATA Service, Docket No. 6720-TI-120, Staff Memorandum (Wisconsin Public Service Commission, February 6, 1997).

communicating changes, documenting changes, assessing the impact of changes, planning for changes, prioritizing changes, and managing and scheduling changes. This specification also recognizes that there are different change types (e.g., maintenance, new regulatory mandates, new standards, proposed ILEC enhancements, and proposed CLEC enhancements) for which different timetables would apply. Uniform adoption of these proposals will help ensure that OSS standards are useful for CLECs on a national basis.

B. Geographic Level for Reporting

TCG urges the Commission to require reporting on a geographic level that is sufficiently small to prevent excessive geographic averaging of service statistics and permits entities to accurately analyze the data. ILEC operating areas generally meet this standard, and TCG would not oppose ILEC reports filed on an operating area basis. For example, Pacific Bell's operating areas in California are divided into five separate regions. These regions are sufficiently small to permit CLECs to assess ILEC performance based on the ILEC service area (sometimes defined as districts).

The MSA geographic area also fulfills the Commission's goal of ensuring adequate measurements for CLECs while minimizing burdensome reporting requirements for ILECs.¹³ The MSA is a small enough area for TCG to analyze the

¹³ See id. at ¶ 38.

data without encountering excessive geographic averaging of service statistics, and at the same time, it is a large enough area to avoid imposing undue reporting burdens on ILECs.

C. Scope and Manner of Reporting

With the addition of reporting on the ILEC's provision of services to itself, TCG otherwise agrees with the Commission's proposal that an ILEC should report separately on its performance as provided to: (1) its own retail customers; (2) any of its local exchange affiliates; (3) its ten largest commercial clients; (4) competing carriers in the aggregate; and (5) individual competing carriers.¹⁴ Reporting at this level will provide sufficiently disaggregated information so that the CLEC can assess whether it is receiving services on parity with the ILEC and other competitors.

These reports should be uniform among all ILECs and available to CLECs both electronically and by hard copy. Currently, TCG receives reports from various ILECs in different formats. This inconsistency imposes additional entanglement costs on CLECs when they have to conduct different analyses depending upon the reporting format. Developing a uniform reporting format will address this problem.

¹⁴ Id. ¶ 39.

D. Statistical Analysis

Section 251(c)(2)(c) requires that the ILEC interconnection for CLECs be at least equal to that which the ILEC provides to itself, its affiliates, and other interconnectors. ILEC compliance with this statutory requirement can only be confirmed by comparing the actual measurements for provisioning services to ILECs and to CLECs; however, litigating each instance where interconnection services for CLECs are shown to be less than equal to the ILEC's own provisioning of service would be prohibitively costly to ILECs, CLECs, and regulators alike. Therefore, statistical analysis is a reasonable means for identifying random deviations from parity, but only when the margin of error permitted to the ILEC does not encourage a pattern of non-compliance or more than minimal deviation from parity. In this regard, the Commission has proposed a "safe harbor" consisting of a threshold standard for judging when an ILEC's performance warrants further regulatory scrutiny.¹⁵

TCG cautions, however, that this safe harbor must not be so generous as to defeat the performance parity requirement. Thus, any statistical analysis performed or adopted by any regulatory agency must balance the risk to the ILEC of erroneous findings of non-compliance against the risk to the CLEC of erroneous findings of compliance. In addition, when OSS is fully operational at large order volumes, the

¹⁵ See, e.g., *id.* at ¶ 121.